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FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY

CTIA

Cellular  
Telecommunications  
Industry Association  
1250 Connecticut  
Avenue, N.W.  
Suite 200  
Washington, D.C. 20036  
202-785-0081 Telephone  
202-785-0721 Fax  
202-736-3256 Direct Dial

Randall S. Coleman  
Vice President for  
Regulatory Policy and Law

Mr. William F. Caton  
Secretary  
Federal Communications Commission  
1919 M Street, NW, Room 222  
Washington, DC 20554

Re: *Ex Parte* Presentation  
GEN Docket No. 90-314

Dear Mr. Caton:

On Friday, April 8, 1994, Thomas E. Wheeler, President and CEO of the Cellular Telecommunications Industry Association, distributed the attached letter to Ralph A. Haller, Chief of the Private Radio Bureau and Chairman of the Commission's Personal Communications Services Task Force, and to Gerald P. Vaughan, Tom Stanley, Robert Pepper, Donald Gips, and Michael Katz.

If there are any questions concerning this submission, please contact the undersigned.

Sincerely,

  
Randall S. Coleman

Attachment

cc: Chairman Hundt  
Commissioner Quello  
Commissioner Barrett



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## CTIA

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202-785-0721 Fax

Mr. Ralph A. Haller  
Chief, Private Radio Bureau  
Federal Communications Commission  
2025 M Street, N.W., Room 5002  
Washington, D.C. 20554

Re: CTIA List of Questions for PCS Task Force Panel  
Discussions, April 11-12, 1994  
GEN DOCKET 90-314

Dear Mr. Haller:

The Cellular Telecommunications Industry Association is pleased that the FCC has established a Task Force assigned to secure the goals the Commission has established for Personal Communications Services. CTIA supports the Commission's determination that the spectral assignments and regulatory structure for PCS should promote:

- universality;
- speed of deployment
- diversity of services; and
- competitive delivery.

We look forward to next Monday and Tuesday's panel discussions. We believe that the following questions would greatly facilitate discussion of the issues. Therefore, we respectfully suggest them to you for inclusion in the discussion.

### **Panel I: PCS Demand Predictions**

- To what extent are forecasts based upon consumer surveys or upon extrapolation from experience with other telecommunications services?
- How price elastic is the demand for PCS? In reviewing a demand forecast, what price is used for PCS equipment and service? What is the effect on demand if prices are 25%, 50%, or 100% higher?

- How confident can we be in any demand forecasts prior to the implementation of PCS service?
- Are there regulatory arrangements that are particularly warranted to the extent that demand forecasts are uncertain?
- Will the number and size of the PCS spectrum blocks in each geographic service area affect demand for PCS?
- Will the geographic scope of PCS licenses affect demand for PCS?
- To what extent will there be demand substitutability among the various mobile services: PCS, cellular, ESMR, and paging?
- What regulatory actions can the FCC take now to foster demand for PCS and other wireless, mobile services?
- Will regulatory delay affect demand for PCS services, both in the long and short term?
- How will cellular's analog handicap affect demand for its services vis-a-vis PCS?

**Panel II: Competitive Issues in the Wireless Communications Market**

- What are the relevant geographic and product markets for mobile telecommunications services?
- What effect will small geographic service areas have on PCS competition?
- How easy would actual or tacit collusion be among mobile marketplace participants in light of cost, demand, and technological circumstances? Are concerns about collusion heightened by the creation of two spectrum blocks that are differentiated by geographic size?
- What efficiencies are gained by cellular participation in PCS as the rules are currently written? Are there any further gains and/or losses created by increased cellular participation?
- Can the overlap restriction between the cellular geographic service area and the PCS service area be relaxed without material threat to competition?

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- Can the cellular-PCS attribution rule be relaxed without material threat to competition?
- What effect will permitting cellular operators to receive additional spectrum have on overall competition?

**Panel III: Financing Perspectives on PCS**

- How much will the construction and initial operation of a 20 MHz PCS system cost in a top 10 MTA? In a top 100 BTA?
- Are there telecommunication firms with the financial capacity to fund substantial PCS construction and initial operation without resort to external financing.
- Is there any basis to fear that a potential competitor with a viable PCS business plan would be unable to receive adequate funding?
- Under the current PCS rules, would cellular firms have any unique advantages in attracting capital to the detriment of other potential PCS licensees?
- What are the financing opportunities for legitimate small business, rural telephone companies, and minority - and women-owned businesses? Will these opportunities be affected by the FCC's decision in PCS spectrum auctions?
- To what extent is foreign financing of PCS necessary to accomplish the FCC's PCS goals?

**Panel IV: PCS Spectrum and Technical Issues**

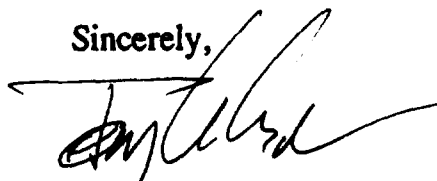
- What is the minimum efficient scale for PCS spectrum block size?
- Does the temporary presence of 2 GHz fixed microwave incumbents warrant the allocation of larger PCS spectrum blocks?
- Do the frequency propagation characteristics of the 2 GHz PCS band warrant the allocation of larger PCS spectrum blocks?

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- Are the answers to the two prior question affected by the extent to which initial PCS operation will cover the entire geographic area of the license?
- Will dual-band subscriber equipment be available to integrate the upper and lower bands of broadband PCS spectrum? Can the cellular 800 MHz band be integrated, as well? What is the likely additional cost of dual-band subscriber equipment when produced and distributed in volume?
- What technical standards must be established, and by whom, to ensure rapid PCS deployment?
- What technical standards must be established, and by whom, to ensure interoperability across systems?
- How does cellular operators' ongoing obligation to serve existing analog subscribers affect their ability to provide PCS using cellular frequencies?

Thank you once again for your time and consideration. If you have any questions, please feel free to call me.

Sincerely,



Thomas E. Wheeler

cc: Gerald P. Vaughan  
Tom Stanley  
Robert Pepper  
Donald Gips  
Michael Katz